



INSURANCE ASSOCIATION OF CONNECTICUT

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Statement

Insurance Association of Connecticut

Transportation Committee

March 2, 2015

HB 6349, AN ACT CONCERNING RIDE SHARING COMPANIES AND DRIVERS

I am Eric George, President of the Insurance Association of Connecticut (IAC). The IAC supports the concept of HB 6349, An Act Concerning Ride Sharing Companies and Drivers, and believes that appropriate regulations are warranted and necessary in this emerging industry. As stated later in this testimony, the IAC strongly feels that to best protect consumers, commercial automobile insurance must be in place during all times of "commercial activity."

The use of smart phone app-enabled ridesharing transportation services provided by transportation network companies (TNCs) has increased significantly in recent years. The IAC is supportive of the innovation embodied in this new form of transportation. However, the IAC strongly believes that consumers must be protected to the fullest extent possible as this industry and new transportation service grows and expands.

Most notably, we must ensure that the passenger, the driver and everyone else involved (directly or indirectly) gets the benefit of proper and comprehensive insurance coverage. Personal automobile insurance policies simply cannot cover these situations, which absolutely would be considered "commercial activities".

Reliance on personal automobile insurance coverage with an overlay of additional commercial coverage will necessarily produce a gap in coverage that will be to the detriment of the passenger, the driver and everyone else involved (directly or indirectly).